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### IN THE UNITED STATES BANKRUPTCY COURT

#### FOR THE DISTRICT OF WYOMING

| In re: |                      | ) |            |          |
|--------|----------------------|---|------------|----------|
|        | DENNIS MEYER DANZIK, | ) |            |          |
|        |                      | ) | Case No.   | 17-20934 |
|        |                      | ) | CHAPTER 11 |          |

# MOTION FOR AN ORDER TO SHOW CAUSE WHY CERTAIN PARTIES SHOULD NOT BE HELD IN CONTEMPT OF THE COURT'S AUTOMATIC STAY

TO the Honorable United States Bankruptcy Judge:

THE APPLICATION of Dennis Meyer Danzik, the Debtor-In-Possession, by proposed counsel Ken McCartney of The Law Offices of Ken McCartney, P.C., and he states and complains as follows:

- 1. The Debtor above named commenced this chapter 11 proceeding voluntarily on December 6<sup>th</sup>, 2017.
- 2. At the time the petition was filed Joshua Wurtzel of Schalm Stone & Dolan LLP was involved in extensive litigation against the Debtor and several related entities.
- 3. On December 12, 2017, attorney Joshua Wurtzel of Schlam Stone Dolan LLP served The Law Offices of Ken McCartney, P.C. the attached subpoena to produce documents. The subpoena was apparently generated by counsel and not the clerk of court. See Exhibit A hereto.

- 4. The document is a bit misleading as it describes only Elizabeth Danzik *et al* as parties defendant, when in fact the case, has referenced by Civil Action No. 2-16-cv-00607, has been combined with two other federal court proceedings filed in the same court with multiple defendants, straight, and cross claimants, the most significant of which is the Debtor in this case as <u>Defendant</u> and cross-claimant in that proceeding, Dennis Meyer Danzik.
- 5. 11 U.S.C. 362(a)(1) prohibits " \* \* \* the commencement or continuation, including the issuance or employment of process, of judicial, administrative, or other action or proceeding against the debtor \* \* \* "
- 6. Serving process on proposed Debtor's counsel in this Chapter 11 proceeding is as clearly void, violation of this court's automatic stay.
- 7. On January 4, 2018, counsel Wurtzel followed up on his subpoena by two emailings a copy of which are attached hereto as Exhibit B. On this occasion Counsel Wurtzel participated in the Debtors originally scheduled 341 meeting for over two hours making it abundantly clear that he had personal knowledge of the Debtor's Chapter 11 filing.
- 8. This Court has jurisdiction over this matter pursuant to 28 U.S.C. §1557 and §1334(a). This is a case proceeding pursuant to §157(b)(2) Automatic Stay violations may be heard as contested matters *Patton v. Shade* 263 B.R. 861, 65 (D.D. ILL, 2001); *In re: Timbs* 178 B.R. 989, 994 (Barker ED. Tenn, 1994).
  - 9. The principles applicable under §362(k) are settled. A violation of the stay

is willful if the action is deliberately taken with the knowledge that the Debtor has filed a petition in bankruptcy and the property over which control is exercised is the Debtor's property. *In re Diviney*, 225 B.R. 762, 776 (10<sup>th</sup> Cir. Bap 1998); *In re Berscheit*, 223 B.R. 579 (Bankr. D. Wyo. 1998). In the case of an entity in possession of such property, knowledge means notice of the bankruptcy and the property in the possessor's custody or control is the Debtor's property. *Id.* At 581. Conduct is deliberate if it is intentional, but the conduct need not be taken with the specific intent to violate the stay. *In re Roberts*, 175 B.R. 339, 344 (9<sup>th</sup> Cir. BAP 1994). Intentional conduct justifies a sanction award of actual damages. *Crysen/Monenay Energy Co. V. Esselen Assoc., Inc.* (*In re Crysen/Monenay Energy Co.*), 902 F.2d 1098, 1105 (2d Cir. 1990).

10. The Debtor has incurred costs and attorney fees to bring this action for which he respectfully requests court ordered reimbursement.

WHEREFORE, Applicant prays for the annexed Order for which no previous

application has been made.

DONE this 5th day of January, 2018.

FOR DENNIS MEYER DANZIK Sworn to Under Penalty of Perjury

By: /s/ Ken McCartney
Proposed Debtor's Counsel
KEN McCARTNEY, Bar No. 5-1335
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### **CERTIFICATE OF SERVICE**

The undersigned caused at rue and correct copy of the foregoing **Motion and proposed Order to Show Cause** to be served on the following in the manner indicated below. this 5<sup>th</sup> day of January, 2018.

Daniel Morse Assistant Us Trustee Via Electronic Service Only

## Via First Class Mail, Postage Prepaid

Mr. Joshua Wurtzel and Schlam Stone & Dolan, LLP 26 Broadway New York, NY 10004 Via Electronic Service and by first class mail, postage prepaid

Bradley T. Hunsiker Esq, Markus Williams Young & Zimmerman LLC 108 East Lincolnway, Suite 300 Cheyenne, Wyoming 82001 Via Electronic Service only